THAI WAH (TWPC TB)

THAILAND / SET / FOOD & BEVERAGE

Globlex Securities Co., Ltd.

4 August 2026

Twin headwinds cap growth

- 2Q26E NP cut to THB36m on cassava and El Niño headwinds
- 2026E net profit cut is a pause, not a pivot
- Downgrade to HOLD; TP cut to THB3.04

A first-hand look at TWPC's Food foundation in Bang Len

We visited TWPC's noodle production plant at Bang Len, Nakhon Pathom, the foundation of TWPC's Food business and its transformation into a diversified agri-food company. The plant contributes 28% of total revenue in 2025 with 40,000tpa capacity, producing vermicelli, rice noodles, and bean flour under three brands—Double Dragon (premium), Phoenix (mid-tier), and Double Kirin (standard). Current utilisation stands at around 80%, leaving limited room for volume expansion without additional investment.

A calmer growth in 2026 ahead of sturdier growths in 2027-28

While we remain positive on long-term growth for Food business, we think in 2026 TWPC will face stronger headwinds from the consequences of ongoing war in Middle East and weaker domestic demands. Yet, in 2027 onwards, we retain sanguine view on TWPC's net profit growths, projecting 35% 2-year CAGR in 2027-28 vs only +14% y-y in 2026, supported by TWPC's core competitiveness in product portfolio and its integrated value chain of upstream starches to mid-stream noodles/HVA and downstream Food.

2Q26E net profit trimmed to THB36m

We revise down our 2Q26E net profit forecast to THB36m from THB51m, as: 1) revenue growth across all three segments came in softer than modeled — Native Starch and HVA growths were driven by a smaller-than-expected uptick in selling prices, while Food volume growth undershot our forecast on softer domestic consumption amid the higher cost of living stemming from the US-Iran war; and 2) the softer revenue base weighed on gross profit margin, which we trim to 17.0% from 17.5% previously.

3Q26E outlook: a repeat of 2Q on cassava headwinds

We expect 3Q26 to broadly mirror 2Q26, as the quarter remains within the low season for cassava root, with raw material prices continuing to climb — now at THB3.6/kg v.s THB3.1/kg in 2Q26 — a trend compounded by the ongoing super El Niño. This should keep margin under pressure in Native Starch and HVA through 2H26. On the Food side, TWPC launched a new glass noodle SKU this quarter, positioned on its distinctively chewy texture, which has received a favorable market response. Management plans further SKU launches across both noodle and Ready-to-Eat (RTE) lines in 2H26.

Downgrade from BUY to HOLD; TP cut to THB3.04

We downgrade from BUY to HOLD and cut TP to THB3.04, to reflect 1) EPS forecast cuts in 2026-27E by 18.7% and 16.6%; 2) lower than expected food revenue growth in 2026E; 3) lower gross profit margin in native starch and HVA on prolonged super El Niño to 2Q27E.

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ESG Rating : A

CG Rating : ▲▲▲▲▲

HOLD (from buy)

Target Price 12M (THB)	**3.04**
VS. BB Consensus TP (%)	n.a.
Share Price (THB)	2.88
Upside/Downside	+5.6%

Share Data

Market Cap (THB m)	2,535.61
Par (THB)	1.00
Free Float (%)	43.51
Issued shares (m shares)	880.42

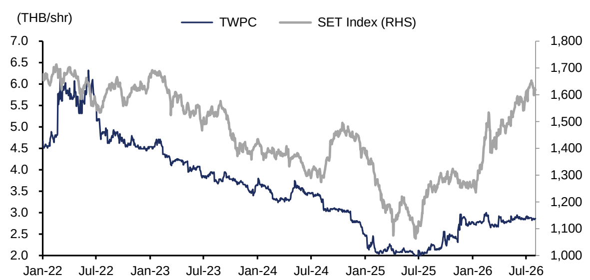
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	9,206	10,070	10,466	10,792
Net profit	156	178	241	324
Core net profit	156	178	241	324
vs Consensus (%)				
Net profit growth (%)	318.4	14.3	35.2	34.5
Core net profit growth (%)	318.4	14.3	35.2	34.5
EPS (THB)	0.18	0.20	0.27	0.37
Core EPS (THB)	0.18	0.20	0.27	0.37
Chg from previous (%)		(18.68)	(16.55)	(2.15)
DPS (THB)	0.06	0.07	0.09	0.12
P/E (x)	16.38	14.23	10.52	7.82
P/BV (x)	0.53	0.51	0.50	0.48
ROE (%)	3.23	3.65	4.80	6.23
Dividend yield (%)	2.07	2.38	3.22	4.33

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(1.38)	2.14	(0.69)	(1.38)
Market	(2.03)	(2.93)	(18.19)	(23.40)
12M High/Low (THB)				3.28 / 2.18



Major Shareholders (%) as of 30 Apr 2026

Chang Fung Company Limited	10.12
Laguna Resorts And Hotels Public Company Limited	10.03
THE HONGKONG AND SHANGHAI BANKING	4.40

Company Profile

Manufacture and distribute tapioca starch and starch-related products,food products, and biodegradable products.

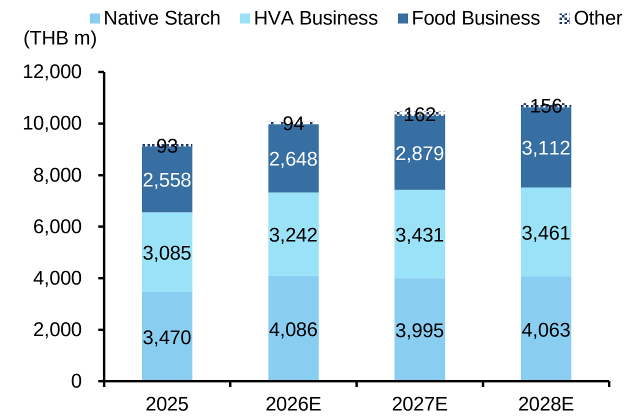
Source: SETSMART, SET

Exhibit 1: Key changes in assumptions and EPS forecastsTitle

(THB m)	Current			Previous			Change (%)		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Revenue	10,070	10,466	10,792	11,220	10,515	10,866	*(10.2)*	*(0.5)*	*(0.7)*
Gross profit	1,796	1,964	2,157	2,049	2,082	2,191	*(12.3)*	*(5.7)*	*(1.6)*
Operating profit	175	268	376	254	347	398	*(30.9)*	*(22.6)*	*(5.6)*
Net profit	178	241	324	219	289	331	*(18.7)*	*(16.6)*	*(2.1)*
EPS (THB/share)	0.20	0.27	0.37	0.25	0.33	0.38	*(18.7)*	*(16.6)*	*(2.1)*

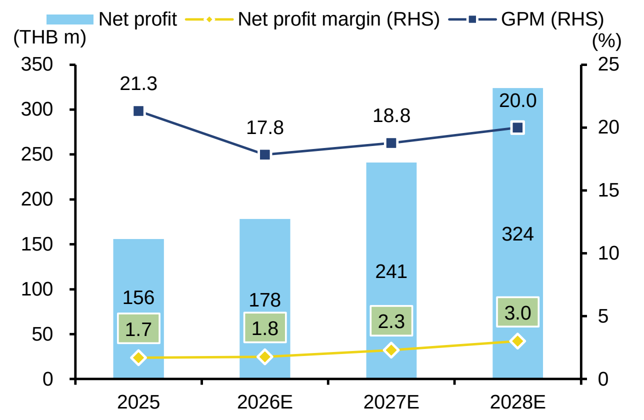
Sources: TWPC; Globlex Research

Exhibit 2: Revenue breakdown by segments



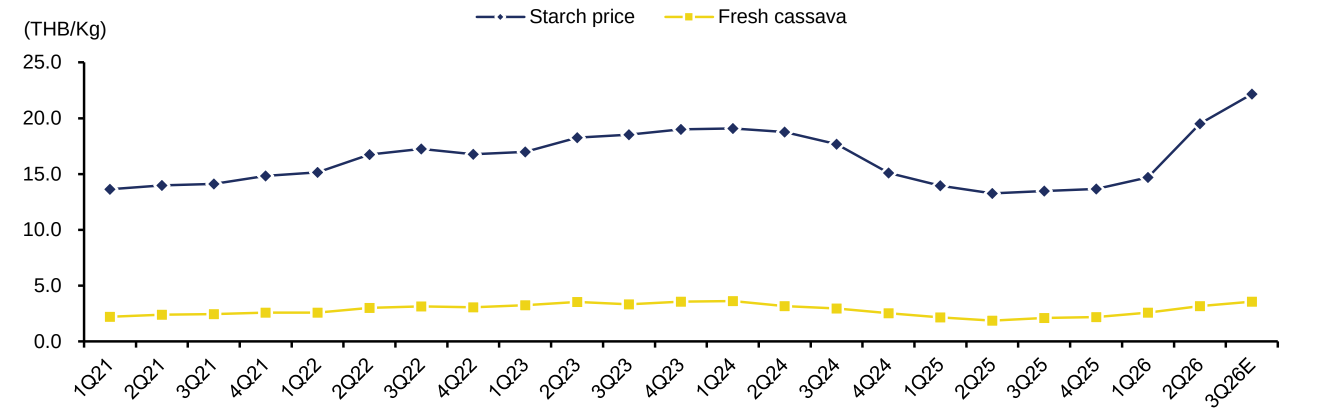
Sources: TWPC; Globlex Research

Exhibit 3: net profit, net profit margin, GPM



Sources: TWPC; Globlex Research

Exhibit 4: Thai fresh cassava price and tapioca starch price



Sources: Ministry of finance; Globlex Research

Exhibit 5: PE sensitivity table

P/E	(x)	12	13	14	15	16	17	18
Target price	(THB/share)	2.43	2.63	2.83	**3.04**	3.24	3.44	3.64
Upside/(Downside)	%	(15.7)	(8.7)	(1.6)	5.6	12.4	19.4	26.5

Sources: Globlex Research

Balance sheet (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	922	955	1,307	1,638	2,069
Account receivable	1,074	862	882	910	918
Inventories	1,488	1,515	1,587	1,630	1,656
Others	258	204	224	232	240
Non-current assets					
Net fixed assets	3,746	3,651	3,534	3,422	3,302
Others	1,030	924	924	924	924
Total Assets	**8,518**	**8,111**	**8,456**	**8,756**	**9,108**
Current liabilities					
Account payable	775	796	910	935	949
ST borrowing	1,217	700	735	772	810
Others	90	120	131	136	141
Long-term liabilities					
Long-term debts	918	587	645	710	781
Others	358	343	343	343	343
Total liabilities	**3,357**	**2,546**	**2,764**	**2,895**	**3,024**
Paid-up capital	880	880	880	880	880
Retained earnings	3,216	3,307	3,425	3,584	3,799
Others	736	631	631	631	631
Minority interest	329	746	755	765	774
Shareholders' equity	**5,161**	**5,565**	**5,692**	**5,861**	**6,084**

Profit & loss (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**10,037**	**9,206**	**10,070**	**10,466**	**10,792**
Cost of goods sold	(8,529)	(7,244)	(8,274)	(8,502)	(8,636)
Gross profit	**1,508**	**1,962**	**1,796**	**1,964**	**2,157**
Operating expenses	(1,568)	(1,710)	(1,621)	(1,696)	(1,781)
Operating profit	**(61)**	**251**	**175**	**268**	**376**
EBIT	**(61)**	**251**	**175**	**268**	**376**
Depreciation	(475)	(464)	(453)	(463)	(473)
EBITDA	**414**	**715**	**628**	**731**	**850**
Non-operating income	**98**	**90**	**99**	**91**	**90**
Other incomes	90	84	95	91	90
Other non-op income	8	6	4	0	0
Non-operating expense	**(103)**	**(64)**	**(43)**	**(47)**	**(50)**
Interest expense	(97)	(56)	(43)	(47)	(50)
Other non-op expense	(6)	(9)	0	0	0
Equity income/(loss)	**0**	**0**	**0**	**0**	**0**
Pre-tax Profit	**(66)**	**277**	**231**	**313**	**417**
Extraordinary items					
Current taxation	(26)	(111)	(44)	(63)	(83)
Minorities	21	(9)	(9)	(9)	(9)
Net Profit	**(71)**	**156**	**178**	**241**	**324**
Core net profit	**(71)**	**156**	**178**	**241**	**324**
EPS (THB)	**(0.08)**	**0.18**	**0.20**	**0.27**	**0.37**
Core EPS (THB)	**(0.08)**	**0.18**	**0.20**	**0.27**	**0.37**

Key ratios Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	(1.9)	(8.3)	9.4	3.9	3.1
Operating profit	(216.6)	513.1	(30.2)	53.1	40.1
EBITDA	(23.2)	72.8	(12.2)	16.4	16.2
Net profit	(251.1)	318.4	14.3	35.2	34.5
Core net profit	(251.1)	318.4	14.3	35.2	34.5
EPS	(251.1)	318.4	14.3	35.2	34.5
Core EPS	(251.1)	318.4	14.3	35.2	34.5
Profitability (%)					
Gross margin	15.0	21.3	17.8	18.8	20.0
Operation margin	(0.6)	2.7	1.7	2.6	3.5
EBITDA margin	4.1	7.8	6.2	7.0	7.9
Net margin	(0.7)	1.7	1.8	2.3	3.0
ROE	(1.4)	3.2	3.7	4.8	6.2
ROA	(0.8)	1.9	2.2	2.8	3.6
Stability					
Interest bearing debt/equity (x)	0.4	0.2	0.2	0.3	0.3
Net debt/equity (x)	0.2	0.1	0.0	n.a.	n.a.
Interest coverage (x)	(0.6)	4.5	4.0	5.8	7.5
Interest & ST debt coverage (x)	(0.0)	0.3	0.2	0.3	0.4
Cash flow interest coverage (x)	0.3	0.3	0.2	0.2	0.2
Current ratio (x)	1.8	2.2	2.3	2.4	2.6
Quick ratio (x)	1.0	1.1	1.2	1.4	1.6
Net debt (THB m)	1,213	331	74	(156)	(477)
Activity					
Asset turnover (X)	1.2	1.1	1.1	1.7	3.5
Days receivables	39.2	34.4	32.0	31.7	31.1
Days inventory	63.7	76.3	70.0	70.0	70.0
Days payable	33.2	40.1	40.1	40.1	40.1
Cash cycle days	69.7	70.6	61.8	61.6	60.9

Cash flow (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow	**912**	**667**	**540**	**510**	**589**
Net profit	(71)	156	178	241	324
Depre.& amortization	475	464	453	463	473
Change in working capital	599	291	13	(51)	(22)
Others	(90)	(244)	(105)	(144)	(187)
Investment cash flow	**(196)**	**(784)**	**(828)**	**(1,034)**	**(946)**
Net CAPEX	(429)	(369)	(369)	(369)	(369)
Change in LT investment	534	641	318	312	431
Change in other assets	(302)	(1,055)	(777)	(976)	(1,008)
Free cash flow	**716**	**(116)**	**(289)**	**(524)**	**(357)**
Financing cash flow	**(908)**	**150**	**640**	**856**	**788**
Change in share capital	0	0	0	0	0
Net change in debt	(18)	417	9	9	9
Dividend paid	(50)	(53)	(60)	(82)	(110)
Others	(840)	(214)	691	928	888
Net cash flow	**(193)**	**34**	**351**	**331**	**431**

Per share (THB)	2024	2025	2026E	2027E	2028E
EPS	(0.08)	0.18	0.20	0.27	0.37
Core EPS	(0.08)	0.18	0.20	0.27	0.37
CFPS	0.43	0.71	0.73	0.81	0.92
BVPS	5.49	5.47	5.61	5.79	6.03
Sales/share	11.40	10.46	11.44	11.89	12.26
EBITDA/share	0.47	0.81	0.71	0.83	0.97
DPS	0.06	0.06	0.07	0.09	0.12
Valuation					
P/E (x)	(32.8)	16.4	14.2	10.5	7.8
P/BV (x)	0.48	0.53	0.51	0.50	0.48
Dividend yield (%)	2.14	2.07	2.38	3.22	4.33
Divdend payout ratio (%)	-70.28	33.88	33.88	33.88	33.88

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ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment Material issues are GHG/energy intensity and water/wastewater from tapioca and food processing. FY2025 emissions: Scope 1 15,806 tCO2e, Scope 2 39,606 tCO2e, Scope 3 76,374 tCO2e (new verified baseline). Water intensity fell to 25.65 L/ton (2024: 27.53; 2023: 31.84), vs. 2026 target of 25. Solar capacity 7.16 MW; renewables 19% of electricity. CDP 2025: B- Climate, C Forests, B- Water. Cassava sourcing is 100% zero-deforestation.	A	n.a.
Social Material issues are GHG/energy intensity and water/wastewater from tapioca and food processing. FY2025 emissions: Scope 1 15,806 tCO2e, Scope 2 39,606 tCO2e, Scope 3 76,374 tCO2e (new verified baseline). Water intensity fell to 25.65 L/ton (2024: 27.53; 2023: 31.84), vs. 2026 target of 25. Solar capacity 7.16 MW; renewables 19% of electricity. CDP 2025: B- Climate, C Forests, B- Water. Cassava sourcing is 100% zero-deforestation.		n.a.
Governance Founder-controlled: the Ho family (Banyan Tree founders) holds ~55% of shares and occupies Chairman, CEO and two more board seats. Board has 11 directors, 5 independent (45.5%). CAC-certified since 2017, continuously recertified. Microsoft Secure Score 71.15% in 2025, no data breaches. No legal disputes on competition, human rights, or environment in 2025.		n.a.
Overall | CG Score: Excellent (Thai IOD, 6th consecutive year) | CAC: Certified | SET ESG Rating: A (3rd consecutive year)	**A**	**n.a.**

CG rating reflects 2025 Thai IOD survey. SET ESG Rating is TWPC's 2025 assessment (level A, 3rd consecutive year). Bloomberg ESG scores are not currently available for TWPC.
Sources: SET, Thai IOD, CAC, CDP, Thai Wah Sustainability Report 2025, Thai Wah Annual Report (Form 56-1 One Report) 2025

SET ESG Ratings 2025 | Thai Listed Companies

As of 9 January 2026

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	HANA	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	NER
NOBLE	OR	ORI	OSP	PB	PLANB	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	SCC	SCG	SCGP	SIRI	SJWD
SKY	SNP	STA	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	SFLEX	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-100)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	**ITC**	JMT	KSL	M
MALEE	MGC	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	**TWPC**
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

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Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.

HOLD: Expected return between -10% and 10% over the next 12 months.

REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.
* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.

Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.

Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.